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newsletter

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A warm hello from the Principal Officer

2006 was a pioneering year for GEMS and we have a myriad of excellent achievements to report on. One of our biggest achievements thus far is having enrolled over 70 000 principal members on the scheme.

What makes our growth so special is that we achieved it in a matter of mere months. When we enrolled our first member in January 2006, we were the smallest of 133 schemes. With around 800 employees and their families joining GEMS on a daily basis, the scheme is now the eighth largest medical scheme in the country.

We would like to thank you for the continuous input and suggestions you made throughout 2006. Your support contributed meaningfully to the scheme's spectacular growth. Importantly, the adjustments to benefits for this year across all our options are at the request of members.

During 2007 we will perform member surveys to ensure that the scheme continues to meet your needs. You may also write to us to tell us about any compliments and complaints which you may have – see our contact details later in this newsletter.

Something else we are very proud of is the fact that we could restrict the 2007 contribution increases to an average of 7,3%. Compared to the industry increases of between 9% and 15%, I'm sure you are just as happy and proud to be a GEMS member as we are to have you on the scheme.

While GEMS has grown exponentially we, the trustees and management, will continue to work hard to ensure that our member services remain excellent – this is an ideal we will not compromise on. Our service providers are all 'best of breed' and carefully chosen to help us deliver professional services of exceptional quality to you, our members.

This year, GEMS will also hold trustee elections as well as its inaugural Annual General Meeting (AGM). Work is also underway to establish a Friends of GEMS network of preferred providers. More information on this service will be communicated to members in due course.

Again, thank you for all your support during 2006. We believe that we will continue to meet your expectations throughout the year. We are looking forward to continued growth in membership but commit to work tirelessly to ensure that you keep enjoying excellent service at the most affordable rates.

Warm regards

Eugene

Principal Officer and proud GEMS member





GEMS member trustee elections will take place in the first half of 2007

In 2006, GEMS' first year of operations, the scheme was managed by an Interim Board of Trustees. The Interim Board was appointed by the Minister for Public Service and Administration to serve until the election and appointment of the permanent Board of Trustees as required by the Rules of the Scheme.

The Rules of GEMS stipulate that the Board of Trustees shall consist of twelve persons who are fit and proper to be trustees. Members are entitled to elect 50% of the trustees on the board and will therefore elect six trustees from their ranks. The remaining six trustees shall be appointed by the Minister for Public Service and Administration.

A medical scheme without a well qualified and effective Board of Trustees will not be able to govern the affairs of the scheme and provide value for money to its members. By participating in the election process, members contribute to the appointment of trustees who have the appropriate attributes to make GEMS an excellent medical scheme.

GEMS' first inaugural Annual General Meeting (AGM) will take place on 25 June 2007 in Gauteng. Members are urged to participate in the process of nominating member trustees and the election process.

Communication on the nomination and election process will take place soon and members are encouraged to participate.

Summary of new features on Sapphire, Beryl, Ruby, Emerald and Onyx

No nasty surprises. Increases well below the cost of inflation – that is the promise we make to our GEMS members in 2007.

Sapphire

- ▶ Addition of an optical benefit
- ▶ Addition of oral and injectable contraceptives
- ▶ Benefit limits increased by 5%
- ▶ Access to private hospitalisation under specific circumstances (managed by Prime Cure)
- ▶ Average contribution increase of 5,5%

Beryl

- ▶ Addition of oral and injectable contraceptives
- ▶ Benefit limits increased by 5%
- ▶ Average contribution increase of 5,5%

Ruby

- ▶ Revised advanced radiology (e.g. MRI, CT scans) limit
- ▶ Benefit limits increased by 5%
- ▶ Average contribution increase of 5,5%

Emerald

- ▶ Revised GP limit
- ▶ Revised dentistry limits
- ▶ Increased advanced radiology (e.g. MRI, CT scans) limit
- ▶ Optical benefit no longer pro-rated
- ▶ Separate benefit for pathology and basic radiology
- ▶ Average contribution increase of 9,4%

Onyx

- ▶ Optical benefit no longer pro-rated
- ▶ Increased benefit limits by 5%
- ▶ Average contribution increase of 8,5%



What's happening at your local pharmacy?

In October 2006 the Department of Health announced a new dispensing fee for pharmacy dispensed medicines for 2007. These fees apply to all medication that is classified as "over the counter medication". Subsequent to the announcement, the Pharmaceutical Society of South Africa (PSSA), United South African Pharmacies (USAP) and the Pharmacy Stakeholder Forum applied for a court interdict against the implementation of the New Dispensing Fees planned for 1 January 2007.

On 21st December 2006, the Department of Health met with these three parties and an out of court settlement was reached – resulting in the postponement of the implementation of the Dispensing Fees on 1 January 2007 pending the outcome of the court challenge.

As a result of this postponement, the current fees paid by schemes will continue in 2007 until further developments dictate otherwise.

For GEMS members on the Sapphire and Beryl options, this means the following:

ACUTE MEDICATION

- ▶ GEMS will apply the 2007 managed care formulary. The cost of all medication on this formulary will be covered in full (100%) within the Mediscor Reference Price (MRP).
- ▶ A dispensing fee is calculated as 26% of the price of the medication to a maximum of R26.00.

CHRONIC MEDICATION

- ▶ Chronic medication is subject to a registration process. Please visit your Network General Practitioner, who will assist with your registration.
- ▶ Chronic medication will be provided by a preferred provider (Medipost) after your registration has been approved. Where required you may use an alternative Network pharmacy.

For GEMS members on the Ruby, Emerald and Onyx options, this means the following:

ACUTE MEDICATION

- ▶ GEMS will continue to apply the pricing structure used in 2006. In other words, the Scheme will pay 100% of the Single Exit Price (SEP) of medication plus a dispensing fee calculated as 26% of the price of the medication to a maximum of R26.00.
- ▶ Members of GEMS have access to a Preferred Pharmacy Network who charges according to the 26%/R26

dispensing fee structure. The list can be obtained from www.gems.gov.za or by calling 0860 00 4367.

CHRONIC MEDICATION

- ▶ Chronic medication will be provided by Medipost and the suspension of the pharmacy dispensing fee implementation will not have an effect on the chronic medication services rendered to members of GEMS.

Should you have any queries, please do not hesitate to contact the GEMS call centre on 0860 00 4367 or visit your closest regional walk-in centre. Alternatively, you may email us at enquiries@gems.gov.za.



GEMS CONSUMER TIPS:

1. We strongly encourage you to shop around to find the best possible price.
2. Some service providers charge different rates for the same service. It is therefore in your best interest to establish well in advance what rates your service provider charges. This will assist you in determining whether you will have to make a co-payment and if you could possibly negotiate a better rate.
3. If you are a user of chronic medication and have not yet registered for chronic medicine benefits it is in your best interest to do so as soon as possible. Do not use your acute benefits for chronic medication. It is not only more convenient but will also cost you far less and make your benefits last longer!
4. Members should enquire whether providers they access would charge a co-payment or not. It is your right to ask!

Important contact details

Tel: 0860 00 4367

Fax: 0861 00 4367

Email: enquiries@gems.gov.za

suggestions@gems.gov.za

complaints@gems.gov.za

compliments@gems.gov.za

Web: www.gems.gov.za

Emergency assistance:
0800 44 4367

What key individuals are saying about GEMS

"GEMS has the potential to enrol an additional 1 million medical scheme beneficiaries, through the extension of the employer subsidy to 380 000 public servants and their families who are currently not enrolled on a medical scheme."

Mark Blecher and Stephen Harrison:
2006 Health Sector Review.

"I am very impressed with the professional help that I got from everybody at the GEMS call centre when I had questions to ask, as well as the speedy payment of the accounts."

Morlane Poole, GEMS member from Somerset West

"We think that GEMS is setting the standard, by example making sure that every Government employee is covered by a medical scheme. They've set the benchmark and both GEMS and Government should be applauded."

Dr Richard Friedland, CEO of Netcare

"Thank you for making my day! I never expected a call on my birthday, and when you did call you made me feel like more than just another member. I know now that GEMS truly cares and will take care of every individual on the scheme."

AD Moss, GEMS member from KwaZulu-Natal

Practise safe sex and ensure a longer, healthier life

Here are a few important tips in the prevention of sexually transmitted diseases that could well save your life or that of someone near and dear to you.

First and foremost abstinence (not having oral, vaginal, or anal sex) is the best way to prevent STDs. For people who choose to be sexually active, ways to reduce the risk of contracting a sexually transmitted disease or infection (STD/STI) include:

- ▶ Mutual monogamy, in other words having sex with only one, uninfected partner who only has sex with you.
- ▶ Talking with your partner(s) about STDs/STIs, sexual health and prevention prior to sexual activity.
- ▶ If you or your partner has had other partners, both of you may want to get tested before becoming sexually active with each other. Many STDs/STIs can be "silent," causing no noticeable symptoms in men or women.
- ▶ Using latex condoms consistently and correctly for all types of sexual contact (oral, vaginal, anal), even if penetration does not take place.
- ▶ Using spermicides is not recommended as they can irritate the skin or vaginal tissue and, especially for women, cause abrasions (tiny openings in the skin) that may make it easier to contract STDs/STIs.
- ▶ Having regular check-ups, at least once yearly, if you are sexually active. Don't be afraid to talk honestly with your healthcare provider about your sexual practices or to ask about STD/STI tests.
- ▶ If you and/or your partner have a STD/STI, don't have sex (oral, vaginal, or anal) until all partners have been treated.

